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Fresh Deciduous Fruit

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Approved by:

Leslie OConnor

U.S. Embassy

Prepared by:

Magdalena Escudero

Report Highlights:

Adverse weather conditions in the main apple and pear producing area lead to a decrease of these two crops during the current marketing year.

Includes PSD changes: Yes
Includes Trade Matrix: Yes
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Executive Summary

Spain's 2002 apple and pear crops are estimated to be the lowest since 1999. Unfavorable weather conditions at the beginning of the season (March-April) in most of the production areas hampered a regular pollinization and blossoming. This will lead to fewer but larger fruit. Hailstorms in early July, followed by heavy winds caused another decrease in this year's crop. According to producers' organizations, total apple production for MY2002/03 (July-June) is forecast at 694,200 metric tons (mt). However, if the damage caused in July is taken into account, this figure should be further decreased. The MY2002/03 pear crop is estimated at 626,100 mt, about 5.3 percent below the previous year. Official estimates peg the MY2002/03 table grape crop at 332,000 mt, or three percent lower than last year. Heavy rains and hailstorms in May caused an irregular blossoming on most vines.

With a decreased supply of domestic apples expected, MY2002/03 deciduous fruit imports are expected to increase while exports are expected to decrease somewhat. Niche opportunities continue to exist for U.S. apples in Spain. In calendar year 2001, Spain imported 531 mt of apples and 63 mt of pears from the United States. However, since Spain is a net pear and table grape exporter, it will provide little market opportunity for U.S. pears or table grapes.

Note: Current exchange rate is:

1 Euro= \$.97

Production

A. Fresh Apples

Rains and low temperatures and strong winds at the beginning of the season (March-April) in Catalonia, the main apple production area, hampered pollenization and also a good blooming. This caused a decrease of over 15 percent in the apple crop. Total MY2002/03 (July-June) table apple production crop is estimated at 694,208 mt, about 15.6 percent below last year's crop, although after the hailstorms at the beginning of July a further decreased of about 10 percent is expected, pegging the MY2003/03 apple crop at about 630,000 metric tons. However, the quality of the crop is expected to be good with large sizes. The most affected varieties are Granny Smith, with losses of up to 50 percent, Red Delicious and Golden. Cider apple production is forecast to reach 28,200 mt, 45 percent below last year's crop.

About 70 percent of the apple crop is produced in Catalonia and the Ebro river basin in the northeast of Spain. Lerida, the main producing province within Catalonia, accounts for approximately 32 percent of national production. Total area planted to dessert apples (1999 data) is 49,100 hectares (ha), of which 46,400 ha are bearing. Cider apple production is concentrated in Asturias and the Basque Country in Northern Spain. Area planted to cider apples is 7,900 ha. Although the area planted of both types has been declining slightly over the medium-term, there is currently a slight rebound of cider apples.

The most popular varieties are bi-color types (30%), mainly Galas and Golden varieties (28 %). Golden (52.2%), Red Delicious and Starking (10.1%) and Gala (5.6%) are the primary varieties produced and demanded in Spain. Area planted to bi-colored varieties like Gala and Fuji has been increasing, while area planted to Golden and Red varieties is decreasing. About half of apple trees planted in Spain are less than 10 years old, while only ten percent are more than 25 years old. About three quarters of the apple crop is produced under irrigation. Yields in the Catalonia producing area have decreased by 32% below last year in the case of Golden and up to 54% below in the case of red varieties. Gala variety production is expected to be only about 6% lower as many groves have started to produce this season, and the crop was not affected by the weather conditions as in the case of the earlier mentioned varieties.

Table Apple Production - Spain
(Metric Tons)

Autonomous Community	2001	2002 (Forecast)	% 2002/2001
Aragon	221,100	209,205	- 5.38
Catalonia	393,120	306,800	- 21.96
La Rioja-Navarra	27,100	33,350	23.06
Castilla-Leon	21,040	4,850	-76.95
Extremadura	3,570	3,600	.84
Murcia	9,550	8,434	-11.69
Other	147,500	127,969	-13.24
TOTAL	822,980	694,208	-15.65

B. Fresh Pears

Unfavorable weather conditions noted above also hampered the development of the MY2002/03 pear crop; currently estimated at 626,086 mt. Fruit quality is reportedly good.

About 70 percent of the pear crop is produced in Northeastern Spain and in the Ebro river basin. Lerida, the main producing province, accounts for approximately 43 percent of national production. Total area planted to pears (1999 data) is 40,400 ha, of which 38,400 ha are bearing. Blanquilla, Conference, Ercolini and Limonera (Jules Guyot) are the most common varieties. Practically all of the pear crop (97.5 percent) is produced under irrigation.

About 47 percent of the pear trees are less than 10 years old, while only 14 percent are 25 years or over. In 1999, a total of 1,299,368 rootstocks were produced in Spain; of this amount, 737,500 units were produced in Catalonia, representing an increase of 19 percent in this region. The main varieties were Conference, Williams and Limonera.

Pear Production - Spain
(Metric Tons)

Autonomous Community	2001	2002 (Forecast)	% 2002/2001
Aragon	152,600	157,165	2.99
Catalonia	332,807	318,721	-4.23
La Rioja-Navarra	46,500	45,144	-2.92
Castilla-Leon	8,500	8,050	-5.29
Extremadura	30,120	21,301	-29.26
Murcia	25,500	24,790	-2.78
Other	65,200	50,915	-21.91
TOTAL	661,227	626,086	-15.65

C. Fresh Table Grapes

Heavy rains in May caused an irregular blossoming on most vines affected the normal growth of the fruit. The MY2002/03 crop is estimated at 332,000 mt, about three percent lower than the previous year. About 62 percent of this crop is located in the Valencia region.

Consumption

A. Fresh Apples

Fresh apple consumption remains relatively stable although official and trade sources indicate that fruit consumption in general is increasing. Fruit is usually consumed as a dessert and must compete with increased consumption of dairy products. Both Spanish and EU authorities continue organizing promotion campaigns to increase apple and citrus consumption. Apples are the third most popular fruit in Spain, after oranges and bananas.

B. Fresh Pears

Fresh pear consumption is also basically stable, with year-to-year fluctuations reflecting domestic production levels and availability. The main varieties consumed are Blanquilla, Ercolini and Conference, with Blanquilla the favorite among consumers. Pears rank sixth among the most consumed fruits in Spain.

C. Table Grapes

Consumption of table grapes is forecast to decrease slightly from the previous year due the decrease in production and availability. Moscatel is the most important variety. Table grapes are ninth among fruits consumed in Spain. Seedless grapes are becoming more common, although price is a constraint to expanding demand.

Trade

A. Fresh Apples

During calendar year 2001 Spain imported 178,151 mt of apples, a decrease of 32 percent from a year earlier. Spanish apple imports increased significantly during marketing year MY2000/01 to 273,633 mt due to the lower domestic production. Data for first ten months of marketing year (July-2001/April-2002) show imports totaled 127,633 mt. Based on that pace, imports for the entire marketing year are estimated at 170,000 mt, about 38 percent below the previous MY. France, Chile, Italy and Portugal were the major suppliers. With the decreased production discussed above MY2002/03, imports are expected to increase.

Spain imported 531 metric tons of U.S. apples in calendar year 2001. Spain's fruit importers continue to express interest in importing U.S. apples, particularly Red Delicious and Golden varieties. Continued promotional efforts are required to increase Spanish importer and consumer awareness of the quality and of the range of varieties of U.S. apples. The most important period to market U.S. apples in Spain is during November-March, before the Southern Hemisphere crop reaches Spain.

Spanish exports of apples during the first ten months of MY 2001/02 amounted to 103,279 mt, almost twice the imports for the same period of the previous marketing year. Portugal, France and Germany were the main destinations. Exports during CY 2001 amounted to 86,695 mt, about 16 percent higher than the previous year. Apple exports are forecast to be lower in MY2002/03 due to the smaller domestic crop.

B. Fresh Pears

Imports of pears during the first ten months of MY2001/02, amounted to 17,199 mt, about 50 percent lower than the same period a year earlier. Imports during CY 2001 totaled 33,964 mt, about 17 percent lower than CY 2000. The bulk of imports continues to be sourced from other EU countries and Chile. U.S. pear imports in CY 2001 were 65 mt, no U.S. imports had been reported during the previous four years. Total imports are expected to increase in MY2002/03 as a result of the lower domestic supplies.

Exports during the first ten months of MY2001/02 totaled 170,495 mt, an increase of 79 percent from the previous year. Major destinations were Italy, Germany and Greece. Total exports during CY 2001 reached 162,790 mt, a 49 percent increase from the previous CY. In MY2002/03, however, exports are forecasted to decline due to the smaller crop.

C. Table Grapes

Imports of table grapes during CY 2001 totaled 24,736 mt, about 28 percent higher than the previous year. Italy and Chile were again the major suppliers. As a result of the smaller crop, imports are forecasted to increase in CY 2002. Spain is a net table grape exporter, and the harvest of the U.S. table grape crop coincides with the Spanish harvesting period for this product; thus, Spain has little potential as a U.S. table grape market.

Spanish exports of table grapes during CY 2001 were 96,371 mt, a 14 percent decrease from the previous year. Major markets are other EU countries, mainly Germany, Portugal, France and the United Kingdom. Exports are expected to decrease in CY 2002 in line with the forecast for lower domestic supplies.

Marketing

A. Fresh Apples

U.S. quality apples have some market opportunities in Spain, as long as they are crispy and well-colored. U.S. Red varieties have the greatest marketing opportunities, followed by Gala, Fuji and Golden. The main constraint to U.S. apple exports to Spain is high price relative to prices from other suppliers. The strong dollar has contributed to this problem. However, if a need emerges for Spain to turn to alternative suppliers, U.S. high quality apples will have a niche in the Spanish market. To tap into this potential, suppliers will need to be more aggressive in promoting U.S. apples in Spain, stressing quality and fruit size. Spain's importers and consumers are already aware of the texture and flavor of U.S. apples, but more fruit importers and distributors must be educated about this good quality product.

B. Fresh Pears

Only in years of reduced crops is Spain a potential market for U.S. pears. EU suppliers are in a better position to supply winter pears due to lower transport costs from other EU countries. Every year Spain also imports increasing volumes of off-season pears from the Southern Hemisphere to provide the market with a continuous supply.

C. Table Grapes

Spain is a difficult market for U.S. grapes since it is a major exporter of grapes and has a long growing season concurrent with the U.S. season.

PS&D Table - Fresh Apples

PSD Table						
Country	Spain					
Commodity	Fresh Apples				(HA)(1000 TREES)(MT)	
	Revised	2000	Preliminary	2001	Forecast	2002
	Old	New	Old	New	Old	New
Market Year Begin		07/2000		07/2001		07/2002
Area Planted	49000	49100	49000	49000	0	49000
Area Harvested	46500	46500	46500	46500	0	47000
Bearing Trees	0	0	0	0	0	0
Non-Bearing Trees	0	0	0	0	0	0
Total Trees	0	0	0	0	0	0
Commercial Production	668500	668500	850000	844000	0	693000
Non-Comm. Production	30000	30000	40000	40000	0	30000
TOTAL Production	698500	698500	890000	884000	0	723000
TOTAL Imports	272800	273800	170000	170000	0	250000
TOTAL SUPPLY	971300	972300	1060000	1054000	0	973000
Domestic Fresh Consump	723000	721000	750000	751000	0	728000
Exports, Fresh Only	57800	65000	70000	105000	0	60000
For Processing	170000	165800	200000	168000	0	165000
Withdrawal From Market	20500	20500	40000	30000	0	20000
TOTAL UTILIZATION	971300	972300	1060000	1054000	0	973000

Fresh Apples - Imports

Import Trade Matrix			
Country	Spain		
Commodity	Fresh Apples		
Time period	CY	Units:	Metric Tons
Imports for:	2000		2001
U.S.		U.S.	531
Others		Others	
France	171,862	France	97,422
Italy	19,774	Chile	28,565
Portugal	19,055	Italy	12,531
Chile	18,904	Portugal	11,615
Belgium	8,242	Belgium	7,575
Czech Republic	5,927	Argentina	4,983
Germany	5,795	Germany	4,976
Netherlands	2,919	Brazil	2,549
Brazil	2,617	Netherlands	1,938
Total for Others	255095		172154
Others not Listed	7,052		5,466
Grand Total	262147		178151

Fresh Apples - Exports

Export Trade Matrix			
Country	Spain		
Commodity	Fresh Apples		
Time period	CY	Units:	Metric Tons
Exports for:	2000		2001
U.S.		U.S.	
Others		Others	
Portugal	38,287	Portugal	30,115
France	8,772	France	16,678
Germany	3,269	Germany	5,812
United Kingdom	2,364	United Kingdom	3,802
Netherlands	2,123	Netherlands	3,171
Morocco	2,145	Morocco	3,164
Belgium	1,824	Italy	3,151
Mauritania	1,093	Belgium	2,700
Greece	203	Greece	1,482
Total for Others	60080		70075
Others not Listed	14511		16620
Grand Total	74591		86695

PS&D Table - Fresh Pears

PSD Table						
Country	Spain					
Commodity	Fresh Pears				(HA)(1000 TREES)(MT)	
	Revised	2000	Preliminary	2001	Forecast	2002
	Old	New	Old	New	Old	New
Market Year Begin		07/2000		07/2001		07/2002
Area Planted	41500	40500	41500	40500	0	40500
Area Harvested	38500	38500	38500	38500	0	38500
Bearing Trees	0	0	0	0	0	0
Non-Bearing Trees	0	0	0	0	0	0
Total Trees	0	0	0	0	0	0
Commercial Production	575000	575000	653000	636000	0	606100
Non-Comm. Production	20000	20000	25000	25000	0	20000
TOTAL Production	595000	595000	678000	661000	0	626100
TOTAL Imports	44000	43000	20000	25000	0	30000
TOTAL SUPPLY	639000	638000	698000	686000	0	656100
Domestic Fresh Consump	480000	470000	495000	460000	0	481100
Exports, Fresh Only	93200	103000	135000	171000	0	115000
For Processing	43800	43800	45000	40000	0	40000
Withdrawal From Market	22000	21200	23000	15000	0	20000
TOTAL UTILIZATION	639000	638000	698000	686000	0	656100

Fresh Pears - Imports

Import Trade Matrix			
Country	Spain		
Commodity	Fresh Pears		
Time period	CY	Units:	Metric Tons
Imports for:	2000		2001
U.S.		U.S.	63
Others		Others	
Belgium	10,118	Belgium	13,323
Netherlands	5,932	Netherlands	7,419
Chile	4,687	Chile	4,462
France	2,883	Germany	2,307
Germany	2,365	Italy	1,809
Italy	930	France	1,794
Portugal	724	Argentina	1,621
Total for Others	27639		32735
Others not Listed	1,457		1,166
Grand Total	29096		33964

Fresh Pears - Exports

Export Trade Matrix			
Country	Spain		
Commodity	Fresh Pears		
Time period	CY	Units:	Metric Tons
Exports for:	2000		2001
U.S.		U.S.	
Others		Others	
Italy	29,181	Italy	44,024
Germany	14,223	Germany	23,980
Greece	15,278	Greece	22,016
France	13,853	France	16,208
Portugal	10,055	Portugal	11,976
Israel	4,098	Belgium	9,608
United Kingdom	4,032	Netherlands	7,003
Belgium	2,982	Russia	6,690
Netherlands	2,827	United Kingdom	5,171
Total for Others	96529		146676
Others not Listed	12,358		16,114
Grand Total	108887		162790

PS&D Table - Fresh Table Grapes

PSD Table						
Country	Spain					
Commodity	Fresh Table Grapes				(HA)(MT)	
	Revised	2000	Preliminary	2001	Forecast	2002
	Old	New	Old	New	Old	New
Market Year Begin		01/2001		01/2002		01/2003
Area Planted	31000	30000	0	30000	0	30000
Area Harvested	30500	28000	0	28000	0	28000
Commercial Production	310000	333000	0	332400	0	322000
Non-Comm. Production	10000	18000	0	10000	0	10000
TOTAL Production	320000	351000	0	342400	0	332000
TOTAL Imports	25000	19700	0	24800	0	28000
TOTAL SUPPLY	345000	370700	0	367200	0	360000
Domestic Fresh Consump	230000	235800	0	242800	0	242000
Exports, Fresh Only	95000	113400	0	96400	0	90000
For Processing	19000	19000	0	20000	0	20000
Withdrawal From Market	1000	2500	0	8000	0	8000
TOTAL UTILIZATION	345000	370700	0	367200	0	360000

Fresh Table Grapes - Imports

Import Trade Matrix			
Country	Spain		
Commodity	Fresh Table Grapes		
Time period	CY	Units:	Metric Tons
Imports for:	2000		2001
U.S.		U.S.	
Others		Others	
Italy	8,036	Italy	12,188
Chile	3,579	Chile	4,713
France	2,759	South Africa	3,841
South Africa	2,167	Netherlands	1,235
Netherlands	1,061	France	1,226
Belgium	720	Germany	676
Total for Others	18322		23879
Others not Listed	1,345		857
Grand Total	19667		24736

Fresh Table Grapes - Exports

Export Trade Matrix			
Country	Spain		
Commodity	Fresh Table Grapes		
Time period	CY	Units:	Metric Tons
Exports for:	2000		2001
U.S.		U.S.	
Others		Others	
Portugal	28,316	Germany	24,828
Germany	26,551	United Kingdom	22,545
France	22,358	Portugal	20,432
United Kingdom	17,508	France	14,987
Netherlands	5,512	Netherlands	3,727
Italy	4,387	Italy	3,175
Denmark	617	Denmark	892
Total for Others	105249		90586
Others not Listed	8,155		5,785
Grand Total	113404		96371

Concentrated Apple Juice

PSD Table						
Country	Spain					
Commodity	Concentrated Apple Juice				(MT)	
	Revised	2000	Preliminary	2001	Forecast	2002
	Old	New	Old	New	Old	New
Market Year Begin		07/2000		07/2001		07/2002
Deliv. To Processors	170000	165800	200000	168000	0	165000
Beginning Stocks	2700	2700	2000	2000	1900	1500
Production	18000	17700	21400	17900	0	17600
Imports	12300	12300	10000	12000	0	13000
TOTAL SUPPLY	33000	32700	33400	31900	1900	32100
Exports	17500	17500	17500	17000	0	16500
Domestic Consumption	13500	13200	14000	13400	0	13600
Ending Stocks	2000	2000	1900	1500	0	2000
TOTAL DISTRIBUTION	33000	32700	33400	31900	0	32100

Production

As a result of the smaller MY2002/03 apple crop, MY 2002/03 concentrated apple juice (CAJ) production is forecast at roughly 17,600 mt. Data shown in the PS&D table are all expressed in terms of 70-71 brix concentrated juice.

Consumption

Consumption is increasing slightly every year. Consumption of apple-based beverages is an estimated 2.6 million liters, representing only 0.4 percent of total beverage consumption in Spain.

Trade

Spanish CAJ imports during the first ten months of MY 2001/02 were about 32 percent lower than during the previous marketing year. Most CAJ imports came from Germany and South Africa. Imports are forecast to decrease in MY 2002/03. Imports in CY 2001 were valued at roughly US\$5.4 million.

Spanish CAJ exports during the first ten months of MY 2001/02 (July-01/April-02) were 33 percent lower than the previous marketing year. The United Kingdom and Germany were the major destinations. Exports in MY 2002/03 are forecast to be about the same as the previous MY. Total exports during CY 2001 were roughly \$14.7 million.

Concentrated Apple Juice - Imports

Import Trade Matrix			
Country	Spain		
Commodity	Concentrated Apple Juice		
Time period	CY	Units:	Million U.S.\$
Imports for:	2000		2001
U.S.		U.S.	
Others		Others	
South Africa	3	South Africa	2
Germany	3	Germany	1
Total for Others	5.707		3.522
Others not Listed	2.576		1.938
Grand Total	8.283		5.46

Concentrated Apple Juice - Exports

Export Trade Matrix			
Country	Spain		
Commodity	Concentrated Apple Juice		
Time period	CY	Units:	Million U.S.\$
Exports for:	2000		2001
U.S.		U.S.	
Others		Others	
Germany	15	United Kingdom	5
United Kingdom	4	Netherlands	2
France	2	Germany	2
France	1	Japan	2
Netherlands	2		
Japan	2		
Portugal	1		
Total for Others	27.716		10.659
Others not Listed	9		4
Grand Total	36.965		14.682